

SCHOOL BUS DAMAGE PROCEDURE

This procedure is established to assure the equitable administration of school bus damage responsibility. A school district on receipt of each school bus is required to assume full responsibility for all damages occurring to the school bus that are in excess of normal wear characteristics. Damages covered by State insurance shall be excluded from the responsibility of the district. The Department of Education shall provide a damage status assessment when each bus is issued to the district and shall advise the district of all chargeable damages that occur while the bus is being used by the district. The district shall be given the opportunity to negotiate damage responsibility and repair cost. A mediation process is provided to resolve disputes.

DEFINITION

Excessive Damage - Any damage to a school bus that is beyond the reasonably anticipated normal wear or any damage to a bus when it is operated in violation of State statutes and Regulations, and SDE operating procedures.

SCHOOL BUS ISSUANCE

Prior to the issuance of a school bus by a SDE County Supervisor, a representative of the district receiving the school bus shall be required to sign a Damage Status Report (see attached forms for conventional and Type D school buses). The Damage Status Report shall describe any exterior damage, interior damage, non-functionality of any lights and gauges, and the general operating condition of the engine, drivetrain, or other components. Prior to signing the Damage Status Report, the district's representative accompanied by an SDE representative shall be given an opportunity to inspect the school bus. The District representative and/or SDE representative shall make notations, using the Damage Status Report, of all visible or known damages to the school bus. Photographs or video taping devices may be used to supplement this Report. The district representative and the SDE representative shall sign the Damage Status Report. A copy of the Report shall be maintained in the vehicle's maintenance file at the SDE Maintenance Shop and a copy shall be given to the district representative.

DAMAGE ASSESSMENT DOCUMENTATION

In the event damages occur, the SDE representative shall notify the district representative that a school bus has received damages. To aid in the management of this procedure the SDE requests that the district reports and explain damages as soon after they occur as possible. Within five working days of defining damages or district negligence, the SDE representative shall complete a Damage Assessment Report (see attached form) detailing the damages to the school bus and estimating the cost of repair. The Damage Assessment Report shall contain a listing of all parts to be replaced and the associated parts cost, and a listing of all labor requirements and costs. The SDE shall use a labor rate equal to the average labor cost of an SDE Technician II. Each Damage Assessment Report shall identify the vehicle involved, the responsible district, the circumstances producing the damage (if known), and an estimate of the total cost of repairs. A copy of the original "School Bus Damage Status Report" shall be enclosed with notations identifying the location and scope of the damage being assessed. The SDE shall make a photographic record of the damages when appropriate. A copy of the Damage Assessment Report shall be given to the district representative, and when the bus does not have to return to immediate route service, a review period of five work days shall be allotted for the district to review the damages before SDE initiates the repairs. During or before the review period, the district may request to make repairs using district personnel or contract services. The district shall be allowed to make the repair when the following conditions are met: the district request is timely; the repair work is done in compliance with SDE standards; the repair can be made in less or equal time than the SDE; and the repair does not remove the school bus from route service for a period greater than would be required if repaired by SDE. If the SDE makes the repairs in order to get the bus back into immediate service, prior to the district representative having reviewed the damage, all replaced parts shall be retained at the shop for viewing until the five day period has expired.

If the district disagrees with the Damage Assessment Report; the district, within the five work days review period, may request that a review be conducted. The review process shall not be cause to delay the repair of a vehicle, but rather only to determine financial responsibility for the repair. The review process may involve three steps, beginning with the local SDE County Supervisor. If the matter cannot be resolved locally, the review may proceed to the Area/Lead County Supervisor level, and, then if necessary, the district may request State Mediation. For the purposes of this document, work days shall mean State employee work days.

REVIEW PROCESS

County Supervisor Review -- In the event the District representative disagrees with the Damage Assessment Report, the district may formally request a Review. The Review shall be requested in writing within fifteen (15) workdays of the issuance of the Damage Assessment Report. This request must be submitted to the County Supervisor. If the district does not request a County Supervisor Review, the original Damage Assessment Report shall be final. The SDE County Supervisor who has jurisdiction shall conduct the Review. The County Supervisor shall deny a request for Review if the Damage Assessment Report deals with damage for which State Mediation has already determined financial responsibility. When a Review is in order, the Review shall involve a scheduled meeting between the district representative and the SDE County Supervisor. A written record, shall be maintained by the County Supervisor, documenting all points of agreement and disagreement, how issues were resolved, and any issues that remained unresolved. Any negotiated adjustments to the Damage Assessment Report shall be immediately recorded by the County Supervisor. The Review by the County Supervisor shall be completed in ten (10) workdays from the date of the district's Review request. Any negotiated adjustments shall be documented by the preparation of an amended Damage Assessment Report. This report shall be issued as the County Supervisor's Final Report. Every effort shall be made to reach an acceptable agreement between the district and SDE at this review level.

Area Review -- In the event that the County Supervisor Review did not satisfy the district, the district might request an Area Review. The district request for an Area Review shall be in writing and occur within five (5) workdays after the County Supervisor Final Report is issued. The Area Review shall be submitted to the Area/Lead County Supervisor. If an Area Review is not requested, the County Supervisor Review Damage Assessment Report shall be final. The Area/Lead County Supervisor may deny the request if the County Supervisor Damage Assessment Report deals with damage for which State Mediation has already determined financial responsibility. When a Review is in order, the Area Review shall be held within ten (10) workdays of receipt of the district request. The Area Review shall be a meeting between the district representative, the SDE County Supervisor and the Area/Lead County Supervisor. The record of the County Supervisor Review shall be submitted and made a part of the Area/Lead County Supervisor Area Review process. The Area/Lead County Supervisor shall maintain a written record of the Area Review meeting. This record shall document all points of agreement, disagreement, and how issues were resolved and any issues that remained unresolved. Any negotiated adjustments shall be documented by the preparation of an amended Damage Assessment Report, this report shall be issued as the Area Final Report. Every effort shall be made to reach an acceptable agreement between the district and SDE at the Area Review.

State Mediation -- In the event that an agreement is not reached during the Area Review, the district may request State Mediation by submitting a written request to the Chair for State Mediation. If no State Mediation is requested by the district within five (5) workdays after the issuance of the Area Final report, the Area Review Damage Assessment Report shall be final. The Chair of Mediation shall deny the review of an Area Damage Assessment Report, if the Report deals with damage for which State Mediation has already determined financial responsibility. When State Mediation is in order, the State Mediation Chair shall schedule a Mediation session within twenty (20) workdays of the district's request. The record of the County Supervisor Review and Area Review shall be submitted to the State Mediation Chair and made a part of the review process. Each State Mediation session shall be a meeting in which the district representative and the SDE representative shall present their findings. A written record shall be maintained by SDE, this record shall document all points of

agreement and disagreement, how issues were resolved, and the final decision of the State Mediation session. The final decision of State Mediation requires a majority vote of the four voting Mediation members. In the event of a tie vote, the Chair shall be the deciding vote. The decision of each State Mediation session shall be documented by the preparation of a Final Damage Assessment Report, this report shall be issued as the State Final Report. Both the district and the SDE shall comply with the findings of State Mediation.

State Mediation Membership -- *Each mediation panel shall be composed of two District representatives and two SDE representatives. The Chairman or Vice Chairman of the South Carolina Pupil Transportation Association, whomever is a district employee, shall appoint a pool of District representatives, district transportation and business officials, whom may be called to sit on a State Mediation panel. The SDE Assistant Director for District Services shall select the two district representatives for each Mediation session from the pool of District Representatives. One district representative on each session shall represent the school district business officials and one shall represent the district student transportation program. The SDE representatives shall be appointed by the Senior Executive Assistant of Support Services. The Mediation Chair, the SDE Assistant Director for District Services, shall vote only in the event of a tie vote of the other four members of each Mediation session and shall act as Chair of each Mediation session. No Mediation member shall be directly associated with either the district requesting mediation or the SDE Maintenance Shop that prepared the original Damage Assessment Report.*

Mediation Precedents -- Findings by Mediation shall be used by the SDE as precedents for determining future damage responsibilities. These findings shall be published to all school districts and SDE maintenance shops. Records of all Damage Assessment Report amendments made by the County Supervisor, Lead/Area Supervisor or State Mediation shall be recorded by and filed with the SDE Assistant Director for District Services.

REIMBURSEMENT PROCESS

At the end of each month, and no later than the fifth of the next month, the County Supervisor shall prepare a Damage Assessment Financial Statement (form M-64A, see attached form). This Statement shall summarize all damage charges, not previously invoiced, that have received district approval or that have become final as a result of the Mediation. This Statement and the associated final Damage Assessment Reports shall be submitted to the appropriate district designee. A copy of this Statement shall be submitted to the SDE Office of Finance. The district may request the SDE to process the payment of the invoiced amount as a direct transfer of funds from the district's accounts to the SDE Office of Transportation's Revenue account.

All FY 1997 amounts not received by July 1, 1997 shall be considered past due and shall be processed as follows:

PAST DUE SETTLEMENT

SDE shall be reimbursed for damages submitted on the Damage Assessment Financial Statement (Form M-64A). When payment for an obligation is not received within 30 days, the SDE Office of Finance shall notify the district that payment is past due. The District shall receive an additional notice should payment be more than 60 days past due. District payments more than 90 days past due shall result in the Office of Finance initiating the process as specified in South Carolina Code Section 11-9-75 (Suppl. 1996). The SDE shall request the State Treasurer to withhold an amount equivalent to the amount 90 days past due from the district's next State school transportation aid payment and deposit the amount in the Department to the Transportation operating account. This transfer of funds shall settle the district's related past due account.

AUDIT

Any part of this damage assessment, reimbursements process and past due settlement is subject to State and district audit.

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July 1, 1997